

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 308A

FINAL READING

(SECOND)

Introduced by Stuthman, 22.

Read first time March 27, 2008

A BILL

1 FOR AN ACT relating to financing statements; to amend section
2 9-506, Uniform Commercial Code, Reissue Revised Statutes
3 of Nebraska, as amended by section 28, Legislative Bill
4 851, One Hundredth Legislature, Second Session, 2008; to
5 change provisions relating to the effects of errors and
6 omissions; to provide for applicability; and to repeal
7 the original section.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-506, Uniform Commercial Code,
2 Reissue Revised Statutes of Nebraska, as amended by section 28,
3 Legislative Bill 851, One Hundredth Legislature, Second Session,
4 2008, is amended to read:

5 9-506 Effect of errors or omissions.

6 ~~(a)~~ (a)(i) This subsection applies until September
7 2, 2009. A financing statement substantially satisfying the
8 requirements of this part is effective, even if it has minor errors
9 or omissions, unless the errors or omissions make the financing
10 statement seriously misleading.

11 ~~(b)~~ (ii) Except as otherwise provided in subsection ~~(c)~~,
12 subdivision (iii) of this subsection, a financing statement that
13 fails sufficiently to provide the name of the debtor in accordance
14 with section 9-503(a) is seriously misleading.

15 ~~(c)~~ (iii) If a search of the records of the filing office
16 under the debtor's correct name, or, in the case of a debtor who
17 is an individual, the debtor's correct last name, using the filing
18 office's standard search logic, if any, would disclose a financing
19 statement that fails sufficiently to provide the name of the debtor
20 in accordance with section 9-503(a), the name provided does not
21 make the financing statement seriously misleading.

22 ~~(d)~~ (iv) For purposes of section 9-508(b), the "debtor's
23 correct name" in subsection ~~(c)~~ subdivision (iii) of this
24 subsection means the correct name of the new debtor.

25 (b)(i) This subsection applies beginning on September

1 2, 2009. A financing statement substantially satisfying the
2 requirements of this part is effective, even if it has minor errors
3 or omissions, unless the errors or omissions make the financing
4 statement seriously misleading.

5 (ii) Except as otherwise provided in subdivision (iii) of
6 this subsection, a financing statement that fails sufficiently to
7 provide the name of the debtor in accordance with section 9-503(a)
8 is seriously misleading.

9 (iii) If a search of the records of the filing office
10 under the debtor's correct name, or, in the case of a debtor who
11 is an individual, the debtor's correct last name, using the filing
12 office's standard search logic, if any, would disclose a financing
13 statement that fails sufficiently to provide the name of the debtor
14 in accordance with section 9-503(a), the name provided does not
15 make the financing statement seriously misleading.

16 (iv) For purposes of section 9-508(b), the "debtor's
17 correct name" in subdivision (iii) of this subsection means the
18 correct name of the new debtor.

19 Sec. 2. Original section 9-506, Uniform Commercial Code,
20 Reissue Revised Statutes of Nebraska, as amended by section 28,
21 Legislative Bill 851, One Hundredth Legislature, Second Session,
22 2008, is repealed.